

TAB 23

Designation Run Report

Reardon, Steve

Reardon, Steve 11-30-2018

Plaintiffs Affirmative Designations 00:45:51

Defense Affirmative Designations 00:22:32

Defense Counter Designations 00:06:52

Plaintiff Counter Counters 00:00:52

Total Time 01:16:07



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426:21 the page count is, this is all suspicious orders,
426:22 right?

426:23 A. Based on the criteria that the DEA agreed
426:24 to.

427:1 Q. Based on whatever. These are all
427:2 suspicious orders under your CFR reporting
427:3 requirement, correct?

427:4 A. Correct.

427:5 Q. And Cardinal shipped all these orders out
427:6 into our communities across the country, didn't
427:7 they?

427:9 - 429:20

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SR03.22

427:9 A. It may have been some that were caught at
427:10 the distribution center and investigated.

427:11 BY MR. FULLER:

427:12 Q. Well, this report isn't generated until
427:13 the end of the month, right?

427:14 A. But it's a two-step process.

427:15 Q. I understand, but just listen to my
427:16 question.

427:17 This report isn't generated until the end
427:18 of month, correct?

427:19 A. Correct.

427:20 Q. And any shipments that have gone, have
427:21 long gone out because it's usually 24-hour
427:22 turnaround, correct?

427:23 A. Correct.

427:24 Q. So if you look, there's, actually, I
428:1 think, a run date of August 5, 2007 on here,
428:2 right?

428:3 A. Yes.

428:4 Q. So these orders were gone by the time this
428:5 report was printed. You agree?

428:6 A. Correct.

428:7 Q. We'll come back to that document in just a
428:8 minute, but you're talking about the second part
428:9 of this process.

428:10 The second part of this process is for
428:11 pickers and checkers to pick up on excessive
428:12 orders in the distribution centers; is that true?

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428:13 A. Correct.

428:14 Q. And pickers and checkers are the people

428:15 filling the orders at the distribution facilities,

428:16 right?

428:17 A. Correct.

428:18 Q. And if a picker and checker finds an order

428:19 that exceeds some sort of internal limit, then

428:20 they are to pull that order and report that

428:21 specific order as suspicious; isn't that right?

428:22 A. They're required to -- not necessarily a

428:23 limit. If something they see based on their

428:24 experience with the customer or other customers,

429:1 they can pull the order and do further

429:2 investigation and contact the DEA.

429:3 Q. And how long was this system in place,

429:4 these ingredient limit reports and the picker and

429:5 checkers? That system was in place from back in

429:6 the '90s?

429:7 A. Early '90s until --

429:8 Q. About 2007, right?

429:9 A. Correct. However, the order-filler

429:10 process at least still existed when I retired.

429:11 Q. And when you mean the order-filler

429:12 process, you're talking about the pickers and

429:13 checkers?

429:14 A. Correct.

429:15 MR. FULLER: So let's go to 4924.

429:16 This is going to be plaintiffs' exhibit -- I'm

429:17 sorry, did I say for the record, Plaintiffs'

429:18 Exhibit 31 is going to be P-3756.

429:19 Plaintiffs' Exhibit 32 is going to be

429:20 4924.

430:2 - 430:4

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SR03.23

430:2 Q. Now, this is a manual that Mr. Brantley

430:3 was just shown the other day when he was being

430:4 deposed. And let's go to page 144.

430:5 - 431:19

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430:5 144 is required reports to DEA, correct?

430:6 A. Correct.

430:7 Q. And that's the system you were talking

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464:4 - 464:20	<p>459:12 A. Correct.</p> <p>Reardon, Steve 11-30-2018 (00:00:46)</p> <p>464:4 Q. And during the time that you were</p> <p>464:5 overseeing the whole regulatory division -- I</p> <p>464:6 think you testified repeatedly to Mr. Papantonio</p> <p>464:7 about the number of employees -- you tried to push</p> <p>464:8 for more employees, didn't you?</p> <p>464:9 You tried to push for more financial</p> <p>464:10 support, more budgetary support, because you felt</p> <p>464:11 what you were given was not enough to get the job</p> <p>464:12 done right, didn't you?</p> <p>464:13 A. It's needing additional resources based on</p> <p>464:14 the direction we wanted to go in, and I requested</p> <p>464:15 additional head count.</p> <p>464:16 Q. Well, the direction we wanted to go in is</p> <p>464:17 to do a good job monitoring for suspicious orders</p> <p>464:18 and preventing any potential diversion. That's</p> <p>464:19 the direction you wanted to go in, right?</p> <p>464:20 A. Correct.</p>	SR03.63
464:21 - 464:23	<p>Reardon, Steve 11-30-2018 (00:00:05)</p> <p>464:21 Q. When you asked for additional resources to</p> <p>464:22 go that direction, you weren't given everything</p> <p>464:23 you were asked for, were you?</p>	SR03.64
465:1 - 465:2	<p>Reardon, Steve 11-30-2018 (00:00:08)</p> <p>465:1 A. I believe I requested for two head count</p> <p>465:2 and ultimately got two head count.</p>	SR03.65
465:3 - 465:11	<p>Reardon, Steve 11-30-2018 (00:00:19)</p> <p>465:3 BY MR. FULLER:</p> <p>465:4 Q. So you took your three people to five</p> <p>465:5 people, right?</p> <p>465:6 A. Right.</p> <p>465:7 Q. So you're monitoring the entire country</p> <p>465:8 for suspicious orders with five people --</p> <p>465:9 A. No.</p> <p>465:10 Q. -- an upgrade from three people,</p> <p>465:11 correct?</p>	SR03.66
465:13 - 465:18	<p>Reardon, Steve 11-30-2018 (00:00:06)</p> <p>465:13 A. Additionally, there were people in the</p> <p>465:14 distribution centers that had -- operations had</p> <p>465:15 responsibility.</p>	SR03.67

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465:16 BY MR. FULLER:		
465:17 Q. Right. There were some people in the		
465:18 distribution center --		
465:21 - 466:5	Reardon, Steve 11-30-2018 (00:00:14)	SR03.68
465:21 BY MR. FULLER:		
465:22 Q. Go ahead, if you're not done.		
465:23 A. That had responsibility for reviewing		
465:24 ingredient limit reports and then working in the		
466:1 cage and the vault.		
466:2 Q. And the jury's already heard about some of		
466:3 those. They weren't full-time -- they didn't get		
466:4 full-time people there until Mr. Hartman came		
466:5 along, correct?		
466:8 - 466:11	Reardon, Steve 11-30-2018 (00:00:08)	SR03.69
466:8 Q. And when Mr. Hartman came along, he		
466:9 actually revamped the whole system and got -- and		
466:10 more than doubled the employees you had, didn't		
466:11 he?		
466:13 - 466:17	Reardon, Steve 11-30-2018 (00:00:12)	SR03.70
466:13 A. What occurred was, people in the		
466:14 distribution centers that were tasked with		
466:15 compliance responsibilities moved over and changed		
466:16 in the reporting structure, reporting up through		
466:17 my organization.		
466:18 - 466:22	Reardon, Steve 11-30-2018 (00:00:10)	SR03.71
466:18 BY MR. FULLER:		
466:19 Q. And he got full-time personnel at each of		
466:20 the distribution centers, something you didn't		
466:21 have the benefit of, right?		
466:22 A. I did not.		
469:20 - 470:3	Reardon, Steve 11-30-2018 (00:00:16)	SR03.72
469:20 Q. You had three people sitting in corporate		
469:21 headquarters looking at this document. And that's		
469:22 just from one distribution center, right?		
469:23 A. Correct.		
469:24 Q. This was done for all 20-some-odd		
470:1 distribution centers, so this times 27. Nobody		
470:2 can investigate all those with three people. We		
470:3 can agree on that, can't we --		
470:5 - 470:14	Reardon, Steve 11-30-2018 (00:00:17)	SR03.73

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	470:5 BY MR. FULLER:	
	470:6 Q. -- at least not investigate them the way	
	470:7 they should be investigated, correct?	
	470:8 A. I guess.	
	470:9 Q. Don't guess. You used to be a law	
	470:10 enforcement officer. I used to be a prosecute	
	470:11 other.	
	470:12 You and I both know there's no way to do a	
	470:13 proper investigation of all these with three	
	470:14 people, correct?	
470:16 - 470:19	Reardon, Steve 11-30-2018 (00:00:05)	SR03.74
	470:16 A. I agree.	
	470:17 BY MR. FULLER:	
	470:18 Q. At least not to the standard you want to	
	470:19 do it, correct?	
470:21 - 470:21	Reardon, Steve 11-30-2018 (00:00:01)	SR03.75
	470:21 A. Correct.	
473:10 - 473:10	Reardon, Steve 11-30-2018 (00:00:02)	SR03.153
	473:10 Q. Let's do the pill comparison, please. So	
473:11 - 473:15	Reardon, Steve 11-30-2018 (00:00:15)	SR03.77
	473:11 during the time frame that you were there, part of	
	473:12 your job was to look for -- we talked about	
	473:13 suspicious orders and to look for patterns,	
	473:14 right?	
	473:15 A. Correct.	
473:16 - 473:17	Reardon, Steve 11-30-2018 (00:00:04)	SR03.154
	473:16 Q. Did you -- well, you testified earlier you	
	473:17 didn't look at any pill counts, correct?	
473:19 - 474:21	Reardon, Steve 11-30-2018 (00:00:56)	SR03.78
	473:19 A. I did not personally.	
	473:20 BY MR. FULLER:	
	473:21 Q. Well, let's start. So Ohio is -- I mean,	
	473:22 you know where Ohio is. You were based in	
	473:23 Columbus or the Columbus area, correct?	
	473:24 A. Correct.	
	474:1 Q. Illinois is two states over. Are you	
	474:2 aware that the states are similarly situated? I	
	474:3 mean, Illinois has about a million more people	
	474:4 than Ohio. Are you aware of that?	
	474:5 A. No.	

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529:17 What did you mean by "a new standard"?

529:18 A. It was a change in the way that -- moving
529:19 away from the ingredient limit report and there
529:20 was -- the biggest thing that came out to me here
529:21 was they were clear-cut that -- do not ship.

529:22 Q. And was that new to you?

529:23 A. That was new to me.

529:24 Q. And what steps did Cardinal Health take
530:1 after the presentation by AmerisourceBergen and
530:2 DEA?

530:3 A. Well, immediately upon return to the -- to
530:4 our corporate office, we started pulling together
530:5 the appropriate team to start developing a new
530:6 program.

530:7 - 531:1

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530:7 Q. Earlier, when you were being asked
530:8 questions by plaintiffs, you were shown some
530:9 differences between Ohio and Illinois.
530:10 Do you remember that?

530:11 A. Yes.

530:12 Q. Would every one of the pills, every piece
530:13 of medication that was in that chart, have been
530:14 reported to DEA through the ARCOS system?

530:15 A. Yes.

530:16 Q. And to your knowledge, would every
530:17 prescription that was filled in either Ohio or
530:18 Illinois or West Virginia, or any other state for
530:19 that matter, would that have required a doctor's
530:20 prescription?

530:21 A. Yes.

530:22 Q. And for every prescription and pill
530:23 dispensed, would there have had to have been a
530:24 pharmacist with the corresponding responsibility
531:1 who made a decision to dispense that medication?

531:3 - 531:3

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531:3 A. Yes.

532:4 - 532:17

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532:4 Q. Approximately how many distribution
532:5 facilities does Cardinal Health have?

532:6 A. They could have -- I mean approximately in